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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/919,413	07/31/2001	David Lawrence	3499-132	4206
27383	7590	07/01/2004	EXAMINER	
CLIFFORD CHANCE US LLP 31 WEST 52ND STREET NEW YORK, NY 10019-6131			SUBRAMANIAN, NARAYANSWAMY	
			ART UNIT	PAPER NUMBER
			3624	

DATE MAILED: 07/01/2004

Please find below and/or attached an Office communication concerning this application or proceeding.



## Office Action Summary

Application No.

09/919,413

Applicant(s)

LAWRENCE ET AL.

CM

Examiner

Narayanswamy Subramanian

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

### Status

- 1) ☒ Responsive to communication(s) filed on 29 March 2004.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

### Disposition of Claims

- 4) ☒ Claim(s) 26-43 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 26-43 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

### Attachment(s)

- 1) ☐ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)  
Paper No(s)/Mail Date \_\_\_\_\_
- 4) ☐ Interview Summary (PTO-413)  
Paper No(s)/Mail Date. \_\_\_\_\_
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: \_\_\_\_\_

### **DETAILED ACTION**

1. This office action is in response to applicants' communication filed on March 29, 2004. The amendments to claims 26, 30 and 34-38 made by the Applicants in their communication have been entered. Rejections made under 35 U.S.C. 112 in the last office action (Paper No. 18) have been withdrawn by the Examiner in view of amendments to the claims. Claims 26-43 are pending in the application and have been re-examined. The rejections and response to arguments are stated below.

#### ***Claim Rejections - 35 USC § 103***

2. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

3. Claims 26-30, 32, 33 and 38-43 are rejected under 35 U.S.C. 103(a) as being unpatentable over Basch et al (US Patent 6,119,103).

With reference to claim 26, Basch teaches a computer implemented method for managing risk related to an online transaction associated with an online marketplace, the method comprising: receiving into a computer system data descriptive of the transaction comprising at least one of: an amount of money involved in the transaction (See Basch Column 3 lines 51-56); one or more geographic locations associated with the transaction (See Basch Column 16 lines 51-55); government regulations associated with the transaction; and one or more currencies involved in the transaction; receiving into the computer system an identifier of one or more

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market participants associated with the transaction (See Basch Column 3 line 65 – Column 4 line 8, account holders are one of participants associated with the transaction); receiving into the computer system risk data, wherein said risk data is generally related to at least one of: regulatory risk, reputational risk (See Basch Column 7 lines 38-65, bankruptcy information are data related to reputational risk), legal risk (See Basch Column 7 lines 38-65, divorce filings, tax liens, judgments, and the like are data related to legal risks); and risk associated with a cost to defend an adverse position; associating a portion of the risk data with at least one of: the data descriptive of the transaction and the identifier of one or more market participants associated with the transaction (See Basch Column 5 lines 11-16, Column 7 lines 38-65, the account holders are one of the market participants); and generating a report comprising the portion of the risk data which is associated with at least one of: the data descriptive of the transaction and the identifier of one or more market participants associated with the transaction (See Basch Column 8 lines 7-12). (Also see Basch Figures 1-9) A Computer system is inherent in the disclosure of Basch.

With reference to claims 27-29 Basch teaches method of claim 26 wherein the data descriptive of the online transaction is received from one or more of: an online retailer, an online wholesaler, a business to business supplier; and an online auction (See Basch Column 5 lines 11-16, merchants include both retailers and wholesalers); from one or more of: an online retailer, an online wholesaler, a business to business supplier; and an online auction (See Basch Column 5 lines 11-16, account issuers include both merchant banks and commercial banks); and public data records (See Basch Column 7 lines 53-55, public records include a government entity also).

With reference to claim 30 Basch teaches method of claim 26 additionally comprising the step of generating a risk score based upon the portion of the risk data which is associated with at least one of: the data descriptive of the transaction and the identifier of one or more market participants associated with the transaction (See Basch Column 7 lines 34-65 and Column 9 lines 22-32). Risk scores include risk quotients and divorce filings, tax liens, judgments, and the like data related to are legal risks.

With reference to Claims 32, 33 and 38, Basch teaches a method of claim 30, wherein the risk quotient is indicative of an amount of legal risk (See Basch Column 9 lines 22-38, information about bankruptcy, fraudulent usage are data related to legal risks and since these are included in the scores the risk quotient is indicative of the legal risk as well); wherein the risk quotient indicates a financial risk (See Basch Column 9 lines 22-32); and additionally comprising the steps of generating a suggested action based upon at least one of: the risk quotient, the risk data; and the identifier of one or more market participants associated with the transaction. (See Basch claim 1) Financial risk is interpreted to include an amount of risk associated with monetary costs related to at least one of fines, forfeitures and costs to defend an adverse position and the step of transmitting the score to an account issuer based on the score is interpreted to include the step of generating a suggested action responsive to the risk quotient.

With reference to claims 39-43 Basch teaches method of claim 38, wherein the report additionally comprises a description of the suggested action (See Basch Column 13 lines 21-63); and the suggested action comprises limiting the scope of the online transaction (See Basch Column 16 lines 26-32 and 51-57, designing filters tailored according to a geographic location and for a particular type of transaction is interpreted to include the step of limiting the scope of

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the online transaction) or notifying an authority (See Basch Column 9 line 62 – Column 10 line 3, the authorized private or public data services are interpreted to include an authority) or discontinuing the online transaction (See Basch claim 6, denying authorization request is interpreted to include the step of discontinuing the online transaction; and presenting the reports/alerts to data consumers (See Basch Column 13 lines 21-63, presenting the reports/alerts to data consumers is interpreted to include the step of presenting the report to at least one of: a regulatory body, shareholders and news media).

4. Claims 31 and 34-37 are rejected under 35 U.S.C. 103(a) as being unpatentable over Basch et al (US Patent 6,119,103) in view of Spitz et al (US Patent 2002/0139837 A1).

With reference to claim 31, Basch teaches method of claim 30 as discussed above.

Basch does not explicitly teach risk scores indicative of an amount of regulatory risk.

Spitz teaches risk scores indicative of an amount of regulatory risk (See Spitz Paragraphs 14, 30 and 58) Restrictions applicable by law or by the issuing associations are examples of regulatory risks. Card issuing associations issue regulations and not conforming to these regulations would imply regulatory risk.

Basch is concerned with the problem of predicting risk of transactions given the data related to the transaction and data from external databases, transaction archives and consolidated database (See Basch Figure 4). Spitz is also concerned with problem of quantifying risk given the data related to the transaction and data from external and internal sources including data related to regulatory risk. It would have been obvious to one with ordinary skill in the art at the time of invention to include the step taught by Spitz to the invention of Basch. The combination of the disclosures taken as a whole suggests that it would have helped the parties concerned to

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take appropriate actions once they are informed about the amount of regulatory risk in a transaction.

With reference to claims 34-37, Basch teaches method of claim 26 as discussed above.

Basch does not explicitly teach the steps wherein the risk data comprises world events; one government advisory; one or more obligations to know your customer according to government regulations; and a list generated by at least one of: the Office of Foreign Assets Control, the U.S. Commerce Department, and the U.S. White House.

Spitz teaches the steps wherein the risk data generally related to risk factors are retrieved from internal and external databases to quantify risk (See Spitz Paragraph 53). The data retrieved from internal and external databases are interpreted to include world events, one government advisory, obligations to know your customer according to government regulations and a list generated by at least one of the Office of Foreign Assets Control, the U.S. Commerce Department, and the U.S. White House.

It would have been obvious to one with ordinary skill in the art at the time of invention to include these steps to the invention of Basch. The combination of the disclosures taken as a whole suggests that it would have helped the parties to the transaction to be confident that all relevant factors are considered before proceeding with the transaction.

#### ***Response to Arguments***

5. Applicant's arguments with respect to claims 26-43 have been considered but are moot in view of the new ground(s) of rejection.

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*Conclusion*

6. Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP § 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire **THREE MONTHS** from the mailing date of this action. In the event a first reply is filed within **TWO MONTHS** of the mailing date of this final action and the advisory action is not mailed until after the end of the **THREE-MONTH** shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than **SIX MONTHS** from the date of this final action.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Dr. Narayanswamy Subramanian whose telephone number is (703) 305-4878. The examiner can normally be reached Monday-Thursday from 8:30 AM to 7:00 PM. If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Vincent Millin can be reached at (703) 308-1065. The fax number for Formal or Official faxes and Draft to the Patent Office is (703) 872-9306. Any inquiry of a general nature or relating to the status of this application should be directed to the Group receptionist whose telephone number is (703) 308-1113.


N. Subramanian  
June 25, 2004



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 Richard Weisberger  
Primary Examiner